

## CITY COUNCIL REPORT

DATE: 1/5/2015

TO: Mayor and Councilmembers

FROM: Andy Wagemaker, Revenue Director

CC: Kevin Burke, Josh Copley, Jerene Watson, Leadership Team

SUBJECT: 2014 FEDERAL TRADE COMMISSION RED FLAGS RULE AND  
PAYMENT CARD INDUSTRY DATA SECURITY STANDARD  
ANNUAL REPORTS.

This is the 2014 Federal Trade Commission Red Flags Rule (Red Flags Rule) Annual Report and the Payment Card Industry Data Security Standard (PCI DSS) Annual Report.

### DISCUSSION

Every year, staff is required to provide a report to the City Council on compliance with the Red Flags program. Staff is not required to provide a report to the City Council on PCI DSS compliance. However, given the similarities between Red Flags and PCI DSS, PCI DSS compliance is included for informational purposes.

### **DEFINITIONS**

Red Flags Rule: Rule created created by the Federal Trade Commission (FTC), along with other government agencies such as the National Credit Union Administration (NCUA), to help prevent identity theft.

PCI DSS: The Payment Card Industry Data Security Standard (PCI DSS) is a set of requirements designed to ensure that all companies that process, store or transmit credit card information maintain a secure environment.

### **SUMMARIES**

#### **Red Flags Rule Annual Report**

For fiscal year 2014, there were no known incidences regarding the inadvertent release or misuse of confidential customer information.

## **PCI DSS Annual Report**

There were no known security breaches within the reporting period. The City was re-certified as PCI DSS compliant in the spring of 2014.

### **RECOMMENDATION / CONCLUSION**

This report is for information only. Staff will continue to modify procedures as necessary. Staff does not recommend any changes to any City policies at this time.